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By: **Senator Hafer**

Introduced and read first time: January 23, 2006

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2                           **City of Frostburg Employees - Participation in the Employees' Pension**  
3                           **System**

4 FOR the purpose of requiring certain employees of the City of Frostburg to participate  
5 in the Employees' Pension System of the State of Maryland as of a certain date;  
6 providing for certain employees of the City of Frostburg to receive service credit  
7 for certain prior service; providing that certain employees of the City of  
8 Frostburg who become members of the Employees' Pension System after a  
9 certain date may not receive certain service credit; and generally relating to  
10 employees of the City of Frostburg participating in the Employees' Pension  
11 System.

12 BY repealing and reenacting, with amendments,  
13 Article - State Personnel and Pensions  
14 Section 23-201(a), 23-204, and 31-111  
15 Annotated Code of Maryland  
16 (2004 Replacement Volume and 2005 Supplement)

17 BY adding to  
18 Article - State Personnel and Pensions  
19 Section 31-111.3  
20 Annotated Code of Maryland  
21 (2004 Replacement Volume and 2005 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
23 MARYLAND, That the Laws of Maryland read as follows:

24                           **Article - State Personnel and Pensions**

25 23-201.

26 (a) Except as provided in subsection (b) of this section, §§ 23-203 through  
27 23-205 of this subtitle apply only to:

- 1 (1) a regular employee whose compensation is provided by State  
2 appropriation or paid from State funds;
- 3 (2) an appointed or elected official of the State, including:
- 4 (i) a clerk of the circuit court;
- 5 (ii) a register of wills;
- 6 (iii) a State's Attorney; and
- 7 (iv) a sheriff;
- 8 (3) an employee or official of a participating governmental unit who is  
9 eligible to participate under Title 31, Subtitle 1 of this article;
- 10 (4) an employee of the Office of the Sheriff of Baltimore City;
- 11 (5) an additional employee or agent of the State Racing Commission  
12 authorized by § 11-207 of the Business Regulation Article;
- 13 (6) a permanent employee of the board of supervisors of elections of a  
14 county;
- 15 (7) a full-time master in chancery or in juvenile causes who is appointed  
16 on or after July 1, 1989, in any county by the circuit court for that county;
- 17 (8) an employee of the Maryland Environmental Service who is a  
18 member of the Employees' Pension System on June 30, 1993, or transfers from the  
19 Employees' Retirement System on or after July 1, 1993;
- 20 (9) an employee of Dorchester County who is not a member of the  
21 county's general pension and retirement program;
- 22 (10) a former Baltimore City jail employee who became an employee of the  
23 Baltimore City Detention Center and a member of the Employees' Pension System on  
24 July 1, 1991;
- 25 (11) a nonfaculty employee of the Baltimore City Community College who:
- 26 (i) is a member of the Employees' Pension System on October 1,  
27 2002;
- 28 (ii) transfers from the Employees' Retirement System on or after  
29 October 1, 2002;
- 30 (iii) transfers from the Teachers' Pension System in accordance with  
31 § 23-202.1 of this subtitle; or
- 32 (iv) becomes an employee of the Baltimore City Community College  
33 on or after October 1, 2002;

1 (12) a court reporter for the Circuit Court for Charles County who is a  
2 member of the Employees' Pension System on July 1, 1994, or transfers from the  
3 Employees' Retirement System on or after July 1, 1994;

4 (13) a staff employee of the University System of Maryland, Morgan State  
5 University, or St. Mary's College who is:

6 (i) a member of the Employees' Pension System on January 1,  
7 1998, or transfers from the Employees' Retirement System on or after January 1,  
8 1998; or

9 (ii) a staff employee of the University System of Maryland, Morgan  
10 State University, or St. Mary's College who becomes an employee on or after January  
11 1, 1998;

12 (14) on or after the date that the Board of Education of Kent County  
13 begins participation in the Employees' Pension System, a supportive service employee  
14 of the Board of Education of Kent County; [and]

15 (15) an employee of the Town of Oakland on or after the date that the  
16 Town of Oakland begins participation in the Employees' Pension System; AND

17 (16) AN EMPLOYEE OF THE CITY OF FROSTBURG ON OR AFTER THE DATE  
18 THAT THE CITY OF FROSTBURG BEGINS PARTICIPATION IN THE EMPLOYEES'  
19 PENSION SYSTEM.

20 23-204.

21 (a) (1) This section applies to an individual who on June 30, 2004, receives  
22 an annual salary and who is:

23 (i) an elected or appointed official;

24 (ii) an employee of the Governor's office;

25 (iii) an employee of the Senate or House of Delegates;

26 (iv) a member of the Prince George's County Board of License  
27 Commissioners; or

28 (v) an employee of Dorchester County who is not a member of the  
29 county's general pension and retirement program.

30 (2) Membership in the Employees' Pension System is optional for an  
31 individual under paragraph (1) of this subsection while the individual remains  
32 employed in the position the individual held on June 30, 2004.

33 (b) (1) (i) Except as provided in paragraph (2) of this subsection, this  
34 subsection applies only to the employees of a participating governmental unit who:

1                                 1.           are employed by the participating governmental unit on  
2 June 30, 2004; and

3                                 2.           were employed by the participating governmental unit on  
4 the effective date of participation in the State systems.

5                                 (ii)       Except as provided in paragraph (2) of this subsection,  
6 membership in the Employees' Pension System is optional for an individual under  
7 subparagraph (i) of this paragraph until the individual ceases employment with the  
8 participating governmental unit that was employing the individual on June 30, 2004.

9                                 (2)       Membership in the Employees' Pension System is not optional for  
10 individuals who are:

11                                (i)       supportive service employees of the Board of Education of Kent  
12 County; [or]

13                                (ii)       employees of the Town of Oakland; OR

14                                (III)     EMPLOYEES OF THE CITY OF FROSTBURG.

15 31-111.

16       (a)       Except as provided in subsection (b) of this section and [§] §§ 31-111.1  
17 AND 31-111.3 of this subtitle, if an employee of a participating governmental unit joins  
18 the Employees' Pension System within 1 year after the effective date, the employee is  
19 entitled to service credit for employment with the participating governmental unit  
20 before the effective date.

21       (b)       If an employee of the Baltimore Metropolitan Council elects to become a  
22 member of the Employees' Retirement System or the Employees' Pension System, the  
23 employee may not receive credit for service from July 1, 1992, to the effective date  
24 unless the employee pays to the Board of Trustees the amount of the member  
25 contributions the employee would have made during that period, plus regular  
26 interest.

27 31-111.3.

28       (A)       AN EMPLOYEE OF THE CITY OF FROSTBURG SHALL RECEIVE ONE-HALF  
29 OF THE SERVICE CREDIT FOR ELIGIBILITY SERVICE AND CREDITABLE SERVICE  
30 BEFORE THE EFFECTIVE DATE IN THE AMOUNT OF THE EMPLOYEES' CREDIT, AS  
31 CERTIFIED BY THE CITY OF FROSTBURG AS OF THE EFFECTIVE DATE.

32       (B)       IF AN EMPLOYEE OR FORMER EMPLOYEE OF THE CITY OF FROSTBURG  
33 BECOMES A MEMBER OF THE EMPLOYEES' PENSION SYSTEM AT ANY TIME AFTER  
34 THE EFFECTIVE DATE, THE EMPLOYEE MAY NOT RECEIVE SERVICE CREDIT FOR  
35 EMPLOYMENT WITH THE CITY OF FROSTBURG BEFORE THE EFFECTIVE DATE.

36       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
37 July 1, 2006.

